



**GOVERNMENT OF THE DISTRICT OF COLUMBIA**

**REQUEST FOR OFFERS**

**FOR THE LEASE OF DISTRICT OF COLUMBIA REAL PROPERTY  
FOR USE AS A NURSING FACILITY**

**SOLICITATION NO. DRES-RFP-OUT-2010-2**

**901 First St, NW  
Washington, DC 20001**

Issued by:  
The Government of the District of Columbia  
Department of Real Estate Services  
ATTN: Charleen Ward  
2000 14th Street NW, Suite 800  
Washington, DC 20009  
<http://www.DRES.dc.gov>

**Issue Date: May 24, 2010    Offers due by: June 25, 2010 no later than 5:00 p.m.**

## **I. OVERVIEW**

Accordingly, the District, acting through its Department of Real Estate Services (“**DRES**”), invites interested parties to respond to this Request for Offers (“**RFO**”) with proposals (“**Proposals**” or “**Responses**”) for the lease of a certain District asset, 901 First Street, NW Washington DC 20001 (“**Use Site**”). The Use Site is currently used as a nursing facility. The District seeks to preserve the significance of this Use Site while leveraging it to enhance economic and quality of life benefits to the surrounding communities and for the District in general. The selected respondent will operate and manage the Use Site, owned by the District, under a ground lease agreement.

## **II. DISTRICT GOALS**

The District’s overarching goal in issuing this RFO is to obtain Proposals for the Use Site for the sole permitted use as a nursing facility. Responses proposing any other use for a Use Site will be deemed nonresponsive and will not be considered. As such, as detailed in Section III below, the District seeks Responses from interested qualified respondents (“**Respondents**”) who can demonstrate:

- Creative and viable approach to use the particular Use Site as a nursing facility;
- Successful track record of implementing a high quality nursing program, financial capacity to provide requisite program financing including the costs and expenses associated with the Use Site; and
- Commitment to the District’s goals to create contracting and investment opportunities for local, small and disadvantaged businesses, and jobs for District residents.

The District will evaluate Proposals and will select a Proposal determined, in the District’s sole discretion, to be in the best interest of the District for negotiation of a lease for the applicable Use Site.

## **III. DESCRIPTION OF PROPOSED USE SITE**

The Use Site is currently operating as a 230-bed nursing facility (approximately 111,970 square feet) licensed by the DC Department of Health in accordance with applicable laws and regulations. Licenses for nursing facilities are not transferable and thus a successful Respondent will need to obtain a license and Certificate of Use for its use of the particular Use Site as a nursing facility. The Use Site shall be delivered in “as is” condition, without warranty by the District as to physical condition of the land, building, or other structures. Nothing contained herein shall be deemed a representation, warranty or guaranty by the District as to the Use Site characteristics. It is the Respondent’s sole responsibility to confirm, prior to submission, all zoning requirements, laws, regulations, codes and other requirements necessary for the Respondent’s use of the Use Site as a nursing facility. A successful Respondent is solely responsible for all costs related to obtaining a nursing facility license and a Certificate of Need, including, but not limited to, any hard and soft costs necessary to renovate the Use Site for such license.

A successful Respondent will have a fixed period of time, determined by the District in its sole discretion, from the execution of a lease for the Use Site in which to obtain all necessary licenses and Certificate of Need for the use of that Use Site as a nursing facility. Failure to obtain all such licenses and Certificate of Need within such time period shall cause the lease to automatically terminate. In the

event of automatic termination, the Respondent shall be solely responsible for any costs incurred in connection with the Use Site and the District shall have no liability for such costs.

The District **will not** be responsible for any licenses, the Certificate of Need and any costs associated with acquiring this Certificate, capital improvements, repairs, maintenance, utilities, equipment, and operating costs of the Use Site.

A successful Respondent shall maintain the Use Site in good repair and condition, subject to normal wear and tear. The District will reserve the right to inspect the Use Site at any time with no notice to ensure that it is being properly maintained and shall have the right to require the Respondent to repair the Use Site as necessary or to make the repairs itself and assess the costs thereof to the Respondent.

In preparing a response to this RFO, Respondents should consider all ownership, physical conditions, and regulatory requirements including, but not limited to, the Long-Term Care Ombudsman Program Act of 1988, D.C. Law 7-218, D.C. Code Ann. § 7-701.01 *et seq.*

#### **IV. SUBMISSION REQUIREMENTS**

This RFO is open to any and all interested non-profit and for profit entities.

The District generally will not consider any Proposal that is not a "Responsive Proposal" within the meaning of this RFO, as determined in the sole discretion of the District. In addition, the District will consider non-responsive any Proposal that exceeds 25 pages (excluding appendices).

Respondents shall provide five (5) hard copies of the written Proposal in 12 point font size on 8.5" by 11" paper. Each Proposal shall be hand delivered to the location set forth in Section V (A) of this RFO. Electronic and facsimile Proposals will not be accepted. Each Proposal shall be submitted in a sealed envelope conspicuously marked: "Proposal in Response to DRES-RFO-OUT-2010-2". Proposals must be submitted no later than the deadline set forth herein.

A Responsive Proposal must contain the following components:

##### ***A. Proposed Vision and Technical Approach***

Respondent shall describe in narrative form, its vision for use.

At a minimum, the Response shall include:

- Description of how the proposed vision relates to the District goals discussed in Section II;
- Description of the proposed configuration for the Use Site;
- Description of the proposed repair and maintenance program to ensure that the proposed Use Site is maintained and kept in good repair and working order;
- Description of current nursing facilities operated by the Respondent, including any applicable accreditations and licenses and any adverse actions on such accreditations or licenses;

- Description of public benefits anticipated from the Proposal including permanent jobs and annual tax revenue to the District of Columbia;
- Description of how the use would generate opportunities to hire District residents and contract with local, small and disadvantaged businesses.

#### ***B. Description/Qualifications of Respondent***

The District seeks Responses from highly qualified partners who have the demonstrated track record, experience, resources, and organizational capacity to manage and/or execute their proposed vision.

At minimum, each Proposal shall include:

- Legal status of each key team member, including the state under whose laws the organization/corporation is organized and operating;
- Brief organizational description/history;
- Certificate of good standing for such jurisdiction; and
- Legal address of the Respondent.

Response shall also identify and provide information about key personnel proposed to implement the program. Responses shall include the following information:

- Title;
- Organizational Chart;
- Resume and contact information; and
- A description of person's proposed role in the program.

#### ***C. Past Performance and Experience of Respondent***

Respondents must demonstrate prior experience and success with a nursing facility similar to what is proposed in response to this RFO. Respondent shall provide a minimum of two (2) examples but no more than seven (7) detailing its experience with comparable nursing facilities. Examples of previous experience shall include the following information as to each example:

- Narrative description of the program and its impact;
- Description of the size and layout of the physical location and the maintenance responsibilities and program for the premises;
- Visual documentation (photos, renderings, etc.);
- Description of what aspects of the nursing facility make it comparable to Respondent's proposal for the Use Site;
- Professional references (at least one per program, including contact names, email addresses and telephone numbers);
- Description (including relevant metrics) of each comparable nursing facility and its success;
- Demonstrated experience and capability with respect to the following areas will be viewed favorably during the evaluation process:
  - Innovative approaches to use of public assets
  - Sound financial planning and management
  - Experience with community outreach and stakeholder engagement

#### **D. Financial Feasibility**

Respondents shall provide financial information so that the District may determine the initial feasibility of the Respondent's proposed vision and program. Financial information required is as follows:

- **Sources and Uses Statement:** Respondents must submit a source and use statement that details the (as applicable) expected private equity, working capital, permanent debt financing sources, public funds, and the anticipated sources of funds. The information shall include a draft budget for the Use Site, including estimates of hard costs, soft costs, fees, financing costs, and operating expenses (as applicable).
- **Proposed Transaction Structure:** Respondent should discuss proposed transaction structure. Respondents must propose a reasonable monthly use fee commensurate with other local rent or use fees for comparable spaces and for comparable uses.
- **Respondent financial capacity:** Proposal shall include:
  - Respondent's current balance sheet;
  - Last three audited annual reports;
  - Last three Federal tax returns, if applicable;
  - Last three DC tax returns, if applicable; and
  - Demonstration the Respondent can obtain any necessary financing

The Respondent shall also state whether it is a certified local, small, or disadvantaged business enterprise.

Note that the District may seek additional program financial information from Respondent at any time in the evaluation of RFO Responses to better clarify program feasibility.

#### **V. EVALUATION PROCESS**

##### **A Deadline for Submission of Proposals**

RFO responses are due by 5:00 p.m. EDT, June 25, 2010. Submissions received after 5:00 p.m. will not be considered. There will be no exceptions. Respondents are required to deliver their Offers to:

Department of Real Estate Services  
ATTN: Charleen Ward  
2000 14th Street NW, Suite 800  
Washington, DC 20009

## **B Timetable for Evaluation of RFO Responses**

The District will endeavor to follow the timetable set forth below; however, the activities and timetable represented below are a guideline only and are subject to change in the District's sole discretion and without prior notice:

Issuance of RFO	May 24, 2010
Pre-Submission Meeting/Tour of Use Site	June 4, 2010
Final Date to Submit RFO Questions	June 18, 2010
Offers Due	June 25, 2010
Notification of Award	July 09, 2010

**THE SCHEDULED SITE VISITS WILL BE THE ONLY TIME THE USE SITE WILL BE ACCESSIBLE FOR VISITATION DURING THE RFO PERIOD.**

## **C Evaluation Criteria**

A Selection Panel will be established to review and evaluate the Proposals and to select one or more of the Responsive Offers. The composition of the Selection Panel will be determined by the District, in its sole discretion. In addition, the Selection Panel may consult with professional consultants for technical assistance. The Selection Panel will evaluate Proposals submitted in response to this RFO in the context of the evaluation criteria and questions noted below:

### ***Factor #1: Technical Approach/Program Vision (20 points)***

- Does the Proposal offer a viable vision?
- Does the Proposal reflect a creative approach to the visions suggested in this RFO?
- Will the Proposal seize upon the uniqueness that this opportunity presents in terms of the location, needs and interests of the community it serves?
- Has Respondent interacted with residents, businesses, non-profits and/or other organizations to shape its Proposal?

### ***Factor #2: Technical Expertise/Qualifications of Applicant (20 points)***

- Does the Respondent, and its team members, prove they are eminently qualified to execute the vision outlined in their Proposal?

### ***Factor #3: Past Performance/Past Experience with Similar Program(s) (30 points)***

- Does the Proposal demonstrate successful similar facilities that Respondent has been involved with in the past?
- Did those endeavors benefit the communities being served by them?

### ***Factor #4: Financial Feasibility (30 points)***

- Does Respondent provide proof of actual financial feasibility for the project vision?
- Does Respondent offer a reasonable transaction structure?

Certified local, small, or disadvantaged business enterprise respondents will be given consideration, however, no points will be given for this status.

## **VI. RFO UPDATES AND MODIFICATIONS**



DRES will post on its website ([www.DRES.dc.gov](http://www.DRES.dc.gov)) any notices or information regarding cancellations, withdrawals, modifications to deadlines, and other modifications to this RFO. Respondents shall have an obligation to check the website for any such notices and information, and the District shall have no duty to provide direct notice to Respondents.

## **VII. RESERVATION OF RIGHTS AND MISCELLANEOUS PROVISIONS**

### **A. *Rights Reserved***

DRES reserves the right to:

- Cancel or withdraw the RFO at any time prior to or after the submission deadline
- Modify issues or clarifications to the RFO prior to the submission deadline
- Reject any submission it deems incomplete or unresponsive to the submission requirements
- Reject all submissions that are submitted under the RFO
- Modify the deadline for submissions or other actions
- Move to 2<sup>nd</sup> Candidate if negotiations with first candidate is unsuccessful
- Reissue the RFO, a modified RFO whether or not any submissions have been received in response to the initial RFO issuance.

DRES may exercise one or more of these rights, in its sole discretion, as it may deem necessary, appropriate, or beneficial to the District.

### **B. *No Conflicts of Interest***

In its response to this RFO, the Respondent should represent and warrant the following to the District:

1. The compensation to be requested, offered, paid or received in connection with this RFO has been developed and provided independently and without consultation, communication or other interaction with any other competitor for the purpose of restricting competition related to this RFO or otherwise.
2. No person or entity employed by the District or otherwise involved in preparing this RFO on behalf of the District (i) has provided any information to potential Respondents which was not made available to all entities potentially responding to this RFO, (ii) is affiliated with or employed by or has any financial interest in any potential Respondent, (iii) has provided any assistance to potential Respondent in responding to this RFO, or (iv) will benefit financially if any Respondent is selected in response to this RFO.
3. The Respondent has not offered or given to any District officer or employee any gratuity or anything of value intended to obtain favorable treatment under this RFO or any other solicitation or other contract, and Respondent has not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Respondent has not and shall not offer, give or agree to give anything of value either to the District or any of its employees, agents, job shoppers, consultants, managers or other person or firm representing the District, or to a member of the immediate family (*i.e.*, a spouse, child, parent, brother or sister) of any of the foregoing. Any such conduct shall be deemed a violation of this RFO. As used herein, "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by this RFO,

if any, or any other contract with the District), etc., which might tend to obligate a District employee to Respondent, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include work or services rendered pursuant to any other valid District contract.

4. The Respondent shall report to the District directly and without undue delay any information concerning conduct which may involve: (a) corruption, criminal activity, conflict of interest, gross mismanagement or abuse of authority; or (b) any solicitation of money, goods, requests for future employment or benefit of thing of value, by or on behalf of any government employee, officer or public official, any Respondent employee, officer, agent, subcontractor, or labor official, or other person for any purpose which may be related to the procurement of this RFO by Respondent, or which may affect performance in response to this RFO in any way.
5. Neither Respondent or any subcontractor or affiliate thereof, nor any employee of any of them, shall retain any material or items of any kind salvaged from the property at issue in this RFO as memorabilia or souvenirs or otherwise.

**C. *Change in Respondent Information***

If information provided in a submission changes (*e.g.*, change or addition to any of the Respondent's team members or new financial information) the Respondent shall provide updated information in the same format for the appropriate section of the RFO and DRES may consider the modified submission.

**D. *Ownership and Use of Submissions***

All submissions shall be the property of the District. The District may use any and all ideas in any submission, whether the submission is selected or rejected. No Respondent shall be entitled to compensation or reimbursement of costs in connection with their submission of a response to this RFO.

**E. *Further Efforts***

DRES may request that Respondents clarify their submissions and/or submit additional information pertaining to their submissions. DRES may request best and final submissions from any Respondent and/or request an oral presentation from any Respondent.

**F. *Restricted Communications***

Upon release of this RFO and until the end of the notification period set forth in Section V, above, potential Respondents shall not communicate with DRES or any other District staff about the RFO or issues related to the RFO except as authorized in this RFO or in public meetings called in connection with this RFO.

**G. *Confidentiality***

Submissions and all other information submitted in response to this RFO are subject to the District's Freedom of Information Act (D.C. Official Code § 2-531 *et seq.*) ("FOIA"), which generally mandates the disclosure of documents in the possession of the District upon the request of any person, unless the content of the document falls within a specific exemption category. An example of an exemption



category is “trade secrets and commercial or financial information obtained from outside the government, to the extent that disclosure would result in substantial harm to the competitive position of the person from whom the information was obtained.” If a Respondent provides information that it believes is exempt from mandatory disclosure under FOIA (“exempt information”), the Respondent shall include the following legend on the title page of the submission:

**THIS PROPOSAL CONTAINS INFORMATION THAT IS EXEMPT FROM  
MANDATORY DISCLOSURE UNDER THE DISTRICT’S FREEDOM OF  
INFORMATION ACT**

In addition, on each page that contains information that the Respondent believes is exempt from mandatory disclosure under FOIA, the Respondent shall include the following separate legend:

**THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY  
DISCLOSURE UNDER THE DISTRICT’S FREEDOM OF INFORMATION ACT**

On each such page, the Respondent shall also specify the exempt information and shall state the exemption category within which it believes the information falls. Although DRES will generally endeavor not to disclose information designated by the Respondent as exempt information, DRES will independently determine whether the information designated by the Respondent is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by DRES, at its discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.

***H. Non-Liability***

By participating in the RFO process, the Respondent agrees to hold the District, its officers, employees, agents, representatives, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFO.

***I. Questions***

Any questions regarding this RFO should be submitted via e-mail to Charleen Ward at [Charleen.Ward@dc.gov](mailto:Charleen.Ward@dc.gov). Respondents shall not direct questions to any other person affiliated directly or indirectly with the District. Responses to Respondent questions will be posted to the DRES’s website at: [www.DRES.dc.gov](http://www.DRES.dc.gov).

**VIII. APPENDICES**

- External view of nursing facility

## Appendix A

### External View of 901 First Street, NW

